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Livestock and Meat

OUTLOOK & SITUATION

NOTICE

Effective November 1982, this report will be called the Livestock and Poultry Outlook and Situation, reflecting its merger with the Poultry and Egg Outlook and Situation. In addition, certain material formerly in the Aquaculture Outlook and Situation will now appear in selected issues of the new, combined, and slightly expanded publication. The first Livestock and Poultry report will be off press in early December. In 1983, issues will appear in February, May, July, August, October, and December. Current paid subscriptions to the separate Livestock and Meat and the Poultry and Egg reports will be adjusted by the Superintendent of Documents.

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Summary

Total Meat Supplies Continue To Decline; Retail Prices To Stabilize

Livestock producers are not expanding their breeding herds, in spite of positive returns and large feed supplies at low prices. The inventory of hogs and pigs on September 1 in the 10 quarterly reporting States was 12 percent below a year ago and was the lowest for this date since 1975. The breeding herd was 13 percent smaller than last year, the second lowest during the last 10 years. Producers said they intend to have 10 percent fewer sows farrow this fall and 4 percent fewer this winter, suggesting continued sharp year-to-year declines in pork production through at least next summer. Although hog producers are in a profitable situation, gilts continued to be marketed through late summer rather than saved for the breeding herd.

There are strong indications that the expansion in the beef herd has ceased and that the herd may be declining. Cow slaughter continues above a year earlier, particularly in the eastern half of the United States. Cattle producers continue to cull closely and in some cases are liquidating the cow herd to improve cash flow. Also, more heifers are being slaughtered from the larger number on feed. Feedlot placements continue above year-earlier levels, as they have since early 1982. Placements are expected to remain large this fall, as the bumper grain crop is harvested and feeding costs decline. Nonfed steer and heifer slaughter will likely continue below last year.

Total production of red meat and poultry continues well below a year ago. This summer's pork production was about 11 percent below a year earlier, and with only a small seasonal rise expected, fall output may decline 18 percent from a year ago. Last year, producers were liquidating breeding stock and forcing up production. However, late this year, they are expected to expand the breeding herd. Therefore, production in the first half of 1983 could be 6 to 10 percent below a year earlier. Beef output rose 4 percent this summer and will likely average near the year-earlier level this fall. Production in first-half 1983 may rise only about 1 percent from the 1982 lows. Through next spring, broiler production is forecast to rise 2 to 3 percent from a year earlier.

Barrow and gilt prices at the 7 major markets reached a record-high quarterly average of about $62 per cwt this summer. With the continued sharp cut in pork production, prices may average around $60 this fall, compared with $42.63 a year ago. Prices will likely average near $60 during the first half of 1983. Summer prices for Choice fed steers at Omaha declined sharply from their spring highs as slaughter and slaughter weights rose. Prices averaged $64.20 for the quarter, but they were

below $60 in late September. Tighter supplies of all meat and smaller gains in beef production are expected to push prices to between $65 and $70 later this fall and into first-half 1983.

Retail pork and beef prices have reached near-record levels in recent months. Pork prices have continued to rise this summer, but only modest increases are expected over the next three quarters. Retail prices for Choice beef fell back to $2.47 in August, after averaging $2.55 in June. Beef prices will likely rise modestly, averaging near $2.50 through mid-1983. The 9-city wholesale price for broilers may continue at or below last year's level through fall, but lower total meat supplies will likely support stronger broiler prices in 1983. While lower supplies continue to favor stronger prices for all meat, consumers' concern over the economy will likely hold down advances.

Commercial meat production and prices
(All percent changes shown are from a year earlier)

Item	1981			1982				1983	
	II	III	IV	I	II	III[1]	IV[1]	I[1]	II[1]
					Million lb				
PRODUCTION									
Beef	5,435	5,541	5,677	5,449	5,363	5,740	5,700	5,525	5,400
% change	+4	+3	+2	−2	−1	+4	0	+1	+1
Pork	3,881	3,605	4,157	3,695	3,550	3,225	3,400	3,325	3,325
% change	−10	−4	−2	−9	−9	−11	−18	−10	−6
Lamb & mutton	77	79	87	90	85	87	92	95	90
% change	0	+1	+7	+7	+10	+10	+6	+6	+6
Veal	95	105	115	107	99	105	110	100	90
% change	+7	+11	+11	+7	+4	−5	−4	−7	−9
Total red meat	9,489	9,330	10,035	9,341	9,097	9,157	9,302	9,045	8,905
% change	−2	0	0	−5	−4	−2	−7	−3	−2
Broilers[2]	3,096	3,081	2,880	2,888	3,109	3,145	2,950	2,950	3,200
% change	+3	+10	+5	+1	0	+2	+2	+2	+3
Turkeys[2]	553	785	773	410	528	765	770	430	560
% change	+5	+10	+8	+3	−5	−3	0	+5	+6
Total red meat & poultry	13,138	13,196	13,688	12,640	12,734	13,067	13,022	12,425	12,665
% change	0	+3	+2	−3	−3	−1	−5	−2	−1
					$/cwt				
PRICES									
Choice steers, Omaha, 900–1100 lb	66.68	66.53	60.17	63.36	70.46	64.20	65–69	66–70	66–71
Barrows & gilts, 7 mkts	43.63	50.42	42.63	48.17	56.46	62.00	58–62	58–62	57–62
Slaugh. lambs, Ch., San Ang.	65.45	59.43	51.38	55.23	65.66	55.10	55–58	57–61	62–67
					cents/lb				
Broilers, 9–city avg.[3]	46.7	47.0	42.1	44.8	45.1	44.3	40–44	44–48	46–50
Turkeys, NY[4]	63.6	62.7	55.1	55.2	58.8	65.0	66–70	60–64	60–64

[1]Forecast. [2]Federally inspected. [3]Wholesale weighted average. [4]Wholesale, 8- to 16-pound young hens.

FACTORS AFFECTING THE LIVESTOCK INDUSTRY

General Economic Conditions Uncertain

The base for economic recovery may have been set, but full recovery is still a forecast rather than a reality. Declining economic indicators in August and continued weakness in consumer demand, despite the July 1 tax cut, are again raising doubts about economic growth this fall and into 1983. The recession apparently has not ended, although preliminary estimates for both the spring and summer quarters showed positive real growth in the gross national product (GNP). Economic indicators point to slow growth at best this fall through at least first-half 1983.

Consumers remain cautious and uncertain about the future, particularly with the unemployment rate remaining near 10 percent. Orders for durable goods, housing starts, factory capacity utilization, and retail sales continue below year-earlier levels, all pointing to slow growth. In August, the index of leading economic indicators declined after rising the previous 4 months, and real disposable income also declined.

A sharply lower inflation rate and declining interest rates are indicators of possible future growth. However, at the present time, they also reflect sharply reduced demand from the consuming sectors—final sales back through raw inputs. The prime rate in late summer declined to 13.5 percent, down from the 16.5-percent peak this spring and from 20.5 percent a year ago. In addition, declines in the consumer price index through August bring the 1982 inflation rate down to 5.2 percent, compared with 8.9 percent in 1981 and 12.4 percent in 1980.

Feed Supplies Plentiful

Prospects in early October continue to point toward alltime-high domestic grain harvests, record domestic and world carryover stocks, and declining feed prices. The September 1 Crop Production report forecasts the U.S. corn harvest at 8.32 billion bushels this fall, 1 percent above last year's record. The total feed grain harvest will also be record large. Carryin stocks of U.S. feed grains in 1982/83 are expected to be 68 million tons, nearly double a year earlier. The large 1981/82 crop, reduced livestock feeding, and lagging export sales and shipments this summer have all contributed to the stock buildup.

The farm price of corn is expected to average $2.30 to $2.50 a bushel in 1982/83, compared with $2.45 in 1981/82 and $3.11 in 1980/81. The price in the western Corn Belt was well below this spring's and last year's levels in mid-September, despite the late crop. In late September only 50 percent of the Iowa corn crop was mature, compared with 88 percent both last year and over the 10-year average. In Nebraska, 20 percent of the crop was mature, compared with 45 percent a year ago and a 10-year average of 70 percent. On the other hand, the crop in the central and eastern Corn Belt was maturing well above average. Overall progress of the crop was slightly behind a year ago in the 17 major States that produced 93 percent of the 1981 crop. Last year, progress in the eastern Corn Belt was slow.

The farm price of corn averaged $2.17 a bushel in mid-September, compared with $2.55 in the spring and a year ago. Prices in mid-September ranged from a low of $1.98 in Minnesota to a high of the mid-$2.50's in Colorado, Pennsylvania, and Texas.

The soybean harvest is expected to be a record 2.31 billion bushels, 14 percent above last year. In late-September, the soybean crop was progressing ahead of last year's, but slightly below the average pace. The price of soybean meal at Decatur is expected to average $150 to $175 a ton in 1982/83, compared with $183 in 1981/82 and $218 in 1980/81.

Forage Prospects Good

Record hay production is also forecast for this year. The crop was estimated at 152 million tons, 6 percent above a year ago and 3 percent more than the 1979 record. Harvested acreage rose 1 percent from last year, and yields are estimated at a record 2.5 tons an acre. Excellent growing conditions continued through midsummer in most areas, but dry weather in late summer in the Southeast and Southern Plains likely reduced late-season harvests. Large hay stocks plus recent rains in most dry areas, which should encourage additional fall pasture growth, provide an excellent forage base for this winter.

Pasture and range feed conditions on September 1 averaged 82 percent of normal, the same as last year, but 8 points above the 1971-80 average for that date. Grazing conditions declined in the Southern Plains, particularly Texas, during August. Texas rated at 55 percent of normal, well below the 74-percent average for 1981. It was also the only State in which conditions were well below the 10-year average. Rains since early September have helped to alleviate the problems in some areas, but additional rainfall is needed.

Recent rains are also expected to provide sufficient growth for winter wheat planting this fall. Planting progress increased sharply in late September but was still behind last year in the major wheat-grazing areas of Texas, Oklahoma, and Kansas.

Broilers: Large Supplies, Lower Exports, Weaker Price Outlook

Broiler prices are expected to remain below year-earlier averages through fall, because of plentiful supplies and a more than 25-percent decline in exports. Reduced exports have pushed more supplies into the domestic market. Although this summer's broiler production rose only about 2 percent from a year ago, domestic supplies climbed 4 percent. This fall, production may rise 2 to 3 percent, but supplies available for domestic consumption may increase 4 to 5 percent because of the lower exports.

Despite losses in 1982, producers are probably covering variable costs on the total operation and are making

some profit on brand items and sales of chicken parts. Prospects for continued lower feed costs and reduced supplies of competing meats are expected to encourage a 2- to 3-percent increase in production during the first half of 1983, with supplies available for domestic consumption rising similarly.

In the first half of 1982, the wholesale 9-city broiler price averaged 45 cents a pound, down from 48 cents a year ago. Prices this summer averaged 44 cents, compared with 47 cents a year ago. A seasonal decline to the low 40's is likely this fall, near last year's average. Lower red meat supplies may keep first-half 1983 prices between 46 and 48 cents.

Turkey Supplies Down, Prices Up

Turkey production through this summer averaged 2 percent below last year. Fourth-quarter output may be about even with last year. In addition, cold storage stocks on August 1 were 16 percent below last year's large levels. This summer, prices averaged slightly above a year ago, and they may average 66 to 70 cents a pound this fall, well above last year's 55 cents.

If second-half 1982 is profitable, as now seems likely due to stronger prices and lower feed costs, turkey meat output may rise 5 to 6 percent in first-half 1983. Turkey prices could average in the low 60's compared with 57 cents in first-half 1982.

Aquaculture: Expansion Slows

Demand for lean protein sources has increased significantly in the last decade. Per capita consumption of fish and shellfish totaled 13 pounds (edible meat) in 1981, an increase of 2.2 pounds from 1970. This occurred despite faster increases in retail fish and seafood prices than in prices of other meats. The retail price index for fish and seafood in 1981 was reported at 357.7 (1967=100), compared with 272.6 for beef and veal, 228.6 for pork, and 198.6 for poultry.

Aquaculture, a relatively new "farm" industry in the United States, is the controlled cultivation of aquatic animals and plants. Aquaculture accounts for a significant portion of the U.S. supply of catfish, trout, crawfish, oysters, and salmon.

In 1980, fish and shellfish sources of protein represented only 2.9 billion pounds, 6 percent of meat consumption on a retail-weight basis. Aquaculture sources represented only 200 million pounds of fish and shellfish consumption.

The commercial farm-raised catfish industry has grown steadily in the 20 years of its existence. In 1981, approximately 1,000 catfish farmers produced 88 million pounds of fish. Production is centered in the South; Mississippi, Alabama, and Arkansas account for more than 90 percent of domestic production.

Four-fifths of the catfish harvested, on average, are sold to processors. Other outlets for the remaining 20 percent of sales include live haul (a transporter of live fish to be sold elsewhere), retail, and direct sale to consumers. Catfish processors included in the Statistical Reporting Service survey sold 37.4 million pounds (dressed weight) between January and August of this year. A little over half was sold fresh, packed in ice. The average price received by processors in August for ice-pack catfish was $1.43 a pound. Prices for frozen catfish have averaged 15 cents a pound higher. The weighted average price received by processors for frozen catfish was $1.58 a pound in August. The average farm price for catfish sold to processors in August was 53 cents a pound, unchanged since April.

Processor sales of catfish (dressed weight)

Month	Total ice pack and frozen	
	1981	1982
	1,000 lb	
January	2,316	3,340
February	2,780	4,726
March	3,155	5,461
April	3,428	4,891
May	2,957	4,787
June	2,494	4,949
July	3,015	4,401
August	3,209	4,806
September	3,197	
October	3,030	
November	2,782	
December	3,040	
Annual	35,403	

Prices received by processors for catfish (f.o.b. plant)

Month	Ice pack		Frozen	
	1981	1982	1981	1982
	$ per lb			
January	1.61	1.47	1.76	1.63
February	1.60	1.49	1.76	1.62
March	1.63	1.47	1.85	1.63
April	1.66	1.40	1.78	1.62
May	1.65	1.43	1.83	1.54
June	1.67	1.43	1.75	1.60
July	1.67	1.41	1.82	1.52
August	1.65	1.43	1.79	1.58
September	1.58		1.72	
October	1.54		1.69	
November	1.49		1.68	
December	1.48		1.65	
Annual	1.60		1.76	

As of January 1, there were 124.5 million pounds of foodsize fish held in ponds, 40 percent more than in 1981. Frozen stocks on January 1, at 2.3 million pounds dressed weight, were also record high. This large inventory of fish has put downward pressure on prices in 1982. Wholesale prices averaged 12 percent lower from January-August of this year than during the same period in 1981. Farm prices averaged 17 percent lower.

On June 11, USDA announced plans to purchase up to $2.5 million worth of farm-raised catfish to be distributed to charitable institutions. As of September 15, USDA had purchased approximately 1.6 million pounds at a cost of $2.5 million. Without this program, it is likely that prices would have dropped further. Historically, the farm-raised catfish industry generated increased sales to market larger production by widening the geographic area of consumption. However, increased commercial sales in the past 15 months have failed to keep up with expanding production, resulting in lower prices at farm and wholesale levels. The current surplus will tend to slow near-term expansion in this young industry.

HOGS

Although producers are in a profitable situation, producer intentions as of September 1 in the 10 quarterly reporting States continue to point to cutbacks in output. During the summer, hog prices reached or exceeded record highs in many markets. In addition, a record-large corn crop became apparent, with declining corn prices and even cheaper feed prices forecast for later this year.

Despite recent profitability and prospects for a plentiful feed supply at relatively low prices, producers have continued to reduce the breeding herd. The generally unprofitable period of mid-1979 through 1981 has probably made producers cautious about expansion. Also, to generate cash flow to reduce debt loads and finance current operating expenses, producers marketed gilts that might otherwise have been retained. Prior to release of the September Hogs and Pigs report, hog futures prices for contract months in the second half of 1983 were $11 to $17 per cwt lower than cash prices. Therefore, producers stated as of September 1 that they intend to have 10 percent fewer sows farrow during September-November, compared with the 9 percent fewer indicated as of June 1. Also, producers indicated that they plan to have 4 percent fewer sows farrow during December-February. These reductions suggest substantial declines in pork production through mid-1983.

Hogs on Farms September 1, farrowings and pig crops, 10 selected states

Item	1981	1982	1983	1982/81
		1,000 head		*Percent Change*
Inventory	47,170	41,620		−12
Breeding	6,357	5,545		−13
Market	40,813	36,075		−12
under 60 lb	16,473	14,543		−12
60–119 lb	10,268	8,991		−12
120–179 lb	8,183	7,270		−11
180 + lb	5,889	5,271		−10
Sows farrowing				
December-February	2,192	1,977	[1]1,904	−10
March-May	2,750	2,391		−13
June-August	2,461	2,189		−11
September-November	2,418	[1]2,165		−10
Pig crops				
December-February	15,863	14,059		−11
March-May	20,741	17,943		−13
June-August	18,134	16,182		−11
September-November	17,853			
Pig per litter				
December–February	7.24	7.11		−2
March-May	7.54	7.50		−1
June-August	7.37	7.39		0
September-November	7.38			

[1]Intentions.

Inventory Declines 12 Percent

The September 1 inventory of all hogs and pigs in the 10 quarterly reporting States totaled 41.6 million head, 12 percent below last year. This was the lowest September 1 inventory since 1975 and continues the trend of year-over-year declines for 10 consecutive quarters. The breeding herd, at 5.55 million head, was 13 percent less than last year and the second lowest for this date during the past 10 years. The number of market hogs totaled 36.1 million head, down 12 percent from a year earlier.

June-August Pig Crop Down 11 Percent

The June-August 1982 pig crop was 16.2 million head, down 11 percent from last year and 10 percent below 1980. The number of sows farrowed totaled 2.19 million head, a decline of 11 percent from a year earlier and the lowest since 1975. As of June 1, producers planned to have 9 percent fewer sows farrow during this period.

The number of pigs saved per litter was 7.39, compared with 7.37 last year. This is the highest number of pigs saved during June-August since 1973, the earliest year for which data is available. The number of market hogs weighing under 60 pounds was down 12 percent, corresponding to the 11-percent drop in the pig crop. Hogs weighing 60 to 179 pounds were down 12 percent. These hogs are primarily drawn from the March-May pig crop, which was down 13 percent.

Breeding Inventory Falls Sharply

The September, inventory of breeding hogs in the 10 States totaled 5.55 million head, down 13 percent from a year ago. However, there was a wide variation among the 10 States. Ohio was the only State to increase the breeding herd. Indiana and Minnesota were down slightly. The largest declines from September 1981 to September 1982 were in Missouri, Iowa, and Georgia.

Second-Half 1982 Pork Output Down, Prices Up Sharply

Commercial hog slaughter in the third quarter was about 18.9 million head, down 11 percent from a year earlier. Commercial pork production totaled 3.25 million pounds, 11 percent less than a year earlier. The average dressed weight rose from last year's relatively light 169 pounds to 171. Although sow slaughter as a percentage of the total slaughter was down, barrows and gilts were marketed heavier than last year. Barrows and gilts at the 7 markets averaged about 4 pounds (live weight) heavier than last year.

Barrow and gilt prices at the 7 markets averaged about $62 per cwt, this summer, up 23 percent from last year. Sharply lower pork production, along with lower frozen supplies, brought about the higher prices. Production of competing beef and broilers was up about 3 percent.

Fourth-quarter hog slaughter is drawn largely from the September 1 inventory of market hogs weighing 60 to 179 pounds, which was down 12 percent. However, slaughter in the fourth quarter is projected to be 17 to 19 percent below last year. In 1981, producers were liquidating the breeding herd in the fourth quarter. In contrast, producers are expected to be rebuilding the breeding herd this fall in response to greatly improved profitability, further reducing the available supply of hogs for slaughter. In addition, the market hog inventory in the nonreporting States may be down more than in the quarterly reporting States.

With the drop in pork production, hog prices are expected to average $58 to $62 per cwt during the fourth quarter. Beef production will likely be about the same as last year, while broiler production will be up slightly. Supplies of turkeys, which compete with pork during the holiday season, may be down 8 percent from a year earlier. There are several uncertainties associated with the

forecast. Retail pork prices have risen sharply during the first 8 months of 1982, while retail beef and poultry prices have risen only modestly. To reach the upper part of the forecast, retail pork prices would have to move even higher, or spreads would have to drop well below last year's. Continued consumer concern about economic conditions will likely moderate further retail price increases. If late 1983 futures prices do not rise out of the high $40's, producers may continue to market gilts, thus increasing production above the forecast. This would pressure prices and drop them toward the bottom of the range.

Commercial slaughter for all of 1982 may total around 81 million head, down 11 percent from last year. This would be the lowest hog slaughter since 1978, down 16 percent from the 1980 record.

Hog prices rose from $45.63 in January to $63.13 in August. For the year, prices are expected to average near $57 per cwt, compared with $44 last year, a rise of 30 percent.

Federally inspected hog slaughter

Week ended	1980	1981	1982
		Thousands	
Jan. 2[1]	1,377	1,297	1,428
9	1,971	1,957	1,881
16	1,762	1,885	1,656
23	1,785	1,792	1,643
30	1,777	1,816	1,623
Feb. 6	1,769	1,773	1,552
13	1,760	1,731	1,650
20	1,642	1,672	1,484
27	1,776	1,698	1,652
Mar. 6	1,806	1,757	1,698
13	1,898	1,832	1,676
20	1,885	1,826	1,663
27	1,858	1,840	1,705
Apr. 3	1,736	1,848	1,609
10	1,919	1,914	1,606
17	2,024	1,823	1,608
24	2,028	1,727	1,656
May. 1	1,918	1,771	1,640
8	1,972	1,763	1,596
15	1,916	1,771	1,610
22	1,891	1,694	1,553
29	1,582	1,422	1,532
June 5	1,850	1,560	1,279
12	1,747	1,617	1,561
19	1,683	1,500	1,467
26	1,669	1,434	1,416
July 3	1,268	1,324	1,394
10	1,573	1,401	1,162
17	1,600	1,444	1,434
24	1,530	1,442	1,352
31	1,573	1,496	1,357
Aug. 7	1,553	1,539	1,398
14	1,611	1,554	1,391
21	1,612	1,576	1,424
28	1,656	1,590	1,400
Sept. 4	1,497	1,658	1,411
11	1,867	1,456	
18	1,812	1,785	
25	1,707	1,699	
Oct. 2	1,759	1,742	
9	1,791	1,769	
16	1,864	1,817	
23	1,861	1,786	
30	1,890	1,788	
Nov. 6	1,955	1,814	
13	1,810	1,789	
20	2,022	1,841	
27	1,514	1,511	
Dec. 4	1,952	1,947	
11	1,841	1,884	
18	1,816	1,864	
25	1,815	1,223	

[1]Corresponding dates: January 5, 1980, January 3, 1981.

First-Half 1983 Slaughter To Decline

Potential hog slaughter during the first half of 1983 is largely determined by the inventory on hand this time of year. First-quarter slaughter is mostly drawn from the number of market hogs weighing under 60 pounds on September 1. Second-quarter slaughter largely comes from the September-November pig crop, and the breeding season for this pig crop has already passed.

Slaughter in the first quarter is projected to be 10- to 12-percent below last year's 21.7 million head. This is a slightly smaller decline than suggested by the 10-State inventory of market hogs weighing under 60 pounds. The harsh winter weather reduced hog marketings in first-quarter 1982, especially in the North Central States. However, the June-August pig crop suggests a larger slaughter than does the September 1 inventory. Over the 7-year period for which 10-State data is available, the first-quarter slaughter has averaged 124 percent of the June-August pig crop and 131 percent of the September 1 market hog inventory. The projected slaughter in first-quarter 1983 is 119 percent of the June-August pig crop and 133 percent of the September 1 market hog inventory weighing under 60 pounds. Reasons for the lower slaughter estimate than the pig crop suggested include: 1) producers are expected to be rebuilding the breeding herd, which would further reduce slaughter and 2) the inventory has probably declined more in nonreporting States than in the quarterly reporting States.

Hog slaughter in the second quarter is drawn largely from the September-November pig crop. Therefore, hog slaughter in second-quarter 1983 is projected at 6 to 8 percent below last year. The severe winter weather that slowed rates of gain caused some hogs that normally would have been sold in the second quarter to be marketed in the third quarter. In addition, Georgia and North Carolina producers indicated intentions of having only 2 percent fewer sows farrow during September-November 1982. This would suggest the Southern States may not reduce farrowings as sharply as the 10-percent reduction indicated by the 10 quarterly reporting States. Sows farrowings in Georgia and North Carolina during September-November 1981 were 23 percent below a year earlier. During this period, sow farrowings in the 10 States declined only 2 percent.

Hog prices in the first half of 1983 are expected to average $58 to $62 per cwt. If the projected commercial production of 6.65 billion pounds is realized, it would be lowest first-half output since 1978 and the lowest per capita consumption since 1976. Competing meat production may be up slightly. Nevertheless, a continued sluggish general economy will still dampen prices.

Hog-corn price ratio, Omaha basis

Month	1979	1980	1981	1982
January	24.0	16.5	13.0	18.4
February	25.5	16.1	13.3	20.1
March	22.6	15.2	12.4	19.8
April	19.9	12.3	12.3	19.8
May	18.1	12.0	12.9	21.8
June	16.4	13.8	15.2	22.1
July	14.2	15.3	15.9	23.3
August	15.4	16.1	18.1	27.9
September	16.2	15.6	19.8	
October	14.6	15.2	18.7	
November	15.3	13.8	17.5	
December	16.0	13.5	16.8	
Average	18.2	14.6	15.5	

Hog prices, costs, and net margins[1]

Year	Barrows & gilts, 7 markets	Feed and feeder	Break-even	Net margins
		$ per cwt		
1981				
January	41.42	39.74	49.76	−8.34
February	42.43	42.07	52.31	−9.88
March	39.54	42.90	53.15	−13.61
April	39.79	43.57	53.90	−14.11
May	42.05	40.11	50.40	−8.35
June	49.04	42.30	53.45	−4.41
July	50.66	41.60	52.75	−2.09
August	50.92	43.78	55.05	−4.13
September	49.68	42.15	53.17	−3.49
October	45.62	42.61	53.73	−8.11
November	42.20	40.27	51.22	−9.02
December	40.06	41.44	52.66	−12.60
1982				
January	45.63	39.95	51.25	−5.62
February	49.49	36.64	47.70	+1.79
March	49.38	35.21	46.16	+3.22
April	52.08	34.30	45.10	+6.98
May	58.14	35.98	46.93	+11.21
June	59.16	39.27	50.60	+8.56
July	59.83	44.81	56.69	+3.14
August	63.13	47.07	59.15	+3.98
September		48.29	60.47	
October		45.77	57.74	
November		45.75	57.75	
December		47.69	60.00	

[1]Selling price required to cover costs of feeding 40- to 50-lb feeder pig to 220-lb slaughter hog in Corn Belt.

Feeding Margins Positive For Most of 1982

Substantially higher hog prices, combined with lower feed costs during the first 9 months of 1982, has changed feeding margins from large losses to large returns. Feeding margins have been positive for feeder pig finishers in the Corn Belt over the past 8 months. The only other previous period of positive margins since mid-1979 was during July-November 1980. The feeding margin rose from $1.79 per cwt in February to $11.21 in May, then declined to $2.50 in September. Hog prices averaged 23 percent higher during the first three quarters of 1982 than a year earlier. Because of higher feed pig prices, the breakeven point rose from $45.10 per cwt in April to $60.47 in September.

Feeding margins are expected to remain near the breakeven point for the remainder of the year. The 8 months of positive feeding margins, along with prospects for low corn prices and relatively high hog prices, should encourage feeder pig finishers to bid aggressively for the reduced supply of feeder pigs. Prices for 40- to 50-pound pigs in southern Missouri are expected to average in the high $50's to low $60's through the spring of 1983.

Feeder pig prices consistent with break-even all cost, given corn and market hog prices[1]

Corn (farm price)	Market hogs, $ cwt				
	45	50	55	60	65
$/bu	*Feeder pigs, $ per head*				
1.50	36	47	58	69	80
1.75	33	44	55	66	77
2.00	30	41	52	63	74
2.25	28	39	50	61	72
2.50	25	36	47	58	69
2.75	22	33	44	55	66
3.00	19	30	41	52	63
3.25	17	28	39	50	61

[1]Assuming protein and other costs at August 1982 levels.

CATTLE

Increased slaughter, heavier slaughter weights, and consequently lower cattle prices since spring continue to raise uncertainty about future supplies and prices. Pork supplies have declined well below a year ago and are expected to remain well below year-earlier levels through at least mid-1983. Consequently, in September, hog prices moved above Choice fed steer prices for the first time since early 1978.

Beef Production Rises

Beef production this summer has risen about 3 percent above a year ago. Most of this increase stems from the 12-percent expansion in net feedlot placements in the 13 major feeding States during the first half of this year and the consequently larger marketings of fed cattle this summer. Heifer slaughter rose 6 percent this summer, primarily because of the 8-percent rise in heifers on feed on July 1 in the heavier weight groups. Cow slaughter continued above year-earlier levels through mid-September, with the sharpest increases in the eastern half of the country and the Pacific Northwest. The cattle enterprise on many farms in these areas tends to be supplementary to the grain enterprise, rather than the primary source of income. It appears that cows are being marketed to reduce debt load and improve cash flow. The 1981/82 drought in the Southeast has placed additional cash flow problems on this area. However, this summer's total nonfed slaughter has probably been held below a year ago because of a sharp decline in nonfed steer and heifer slaughter.

Slaughter weights for the third quarter averaged below last summer's seasonally low average. However, weights have risen since mid-August. Dressed slaughter weights of federally inspected cattle averaged about 623 pounds

Corn Belt hog feeding[1]

Purchased during / Marketed during	Selected costs at current rates[2]									
	Nov. Mar.	Dec. Apr.	Jan. 82 May	Feb. June	Mar. July	Apr. Aug.	May Sept.	June Oct.	July Nov.	Aug. Dec.
	Dollars per head									
Expenses:										
40-lb feeder pig	31.88	29.11	31.70	39.96	52.04	55.94	57.84	53.12	53.26	60.33
Corn (11 bu)	25.96	26.40	27.50	26.62	26.84	27.72	28.38	27.94	27.50	25.08
Protein supplement (130 lb.)	19.63	19.96	19.96	19.82	19.70	19.89	20.02	19.63	19.89	19.50
Labor & management (1.3 hr)	10.19	10.19	10.19	10.19	10.19	10.19	10.19	10.19	10.19	10.19
Vet medicine[3]	2.46	2.44	2.51	2.51	2.53	2.53	2.54	2.54	2.55	2.55
Interest on purchase (4 months)	1.97	1.80	1.79	2.26	2.94	3.23	3.34	3.06	3.05	3.46
Power, equip., fuel, shelter, depreciation[3]	5.97	5.94	6.09	6.11	6.15	6.14	6.17	6.18	6.20	6.20
Death loss (4% of purchase)	1.27	1.16	1.27	1.60	2.08	2.24	2.31	2.12	2.13	2.41
Transportation (100 miles)	.48	.48	.48	.48	.48	.48	.48	.48	.48	.48
Marketing expenses	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14
Miscel. & indirect costs[3]	.61	.61	.62	.62	.63	.63	.63	.63	.64	.64
Total	101.56	99.23	103.25	111.31	124.72	130.13	133.04	127.03	127.03	131.98
	Dollars per cwt									
Selling price/cwt required to cover feed and feeder costs (220 lb)	35.21	34.30	35.98	39.27	44.81	47.07	48.29	45.77	45.75	47.69
Selling price/cwt required to cover all costs (220 lb)	46.16	45.10	46.93	50.60	56.69	59.15	60.47	57.74	57.75	60.00
Feed cost per 100-lb gain	25.33	25.76	26.37	25.80	25.86	26.45	26.89	26.43	26.33	24.77
Barrows and gilts 7 marketing/cwt	49.38	52.08	58.14	59.16	59.83	63.13				
Net margin/cwt	+3.22	+6.98	+11.21	+8.56	+3.14	+3.98				
Prices:										
40-lb feeder pig (So. Missouri) $/head	31.88	29.11	31.70	39.96	52.04	55.94	57.84	53.12	53.26	60.33
Corn[4] $/bu	2.36	2.40	2.50	2.42	2.44	2.52	2.58	2.54	2.50	2.28
38-42% protein supp.[5] $/cwt	15.10	15.35	15.35	15.25	15.15	15.30	15.40	15.10	15.30	15.00
Labor & management[6] $/hr	7.84	7.84	7.84	7.84	7.84	7.84	7.84	7.84	7.84	7.84
Interest rate (annual)	18.56	18.56	16.94	16.94	16.94	17.30	17.30	17.30	17.19	17.19
Transportation rate/cwt (100 miles)[7]	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22
Marketing expenses[8]	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14
Index of prices paid by farmers (1910-14=100)	1,037	1,031	1,058	1,060	1,067	1,066	1,071	1,073	1,077	1,077

[1]Although a majority of hog feeding operations in the Corn Belt are from farrow to finish, relative fattening expenses will be similar. [2]Represents only what expenses would be if all selected items were paid for during the period indicated. The feed rations and expense items do not necessarily concide with the experience of individual feeders. For individual use, adjust expenses and prices for management production level and locality of operation. [3]Adjusted monthly by the index of prices paid by farmers for commodities, services, interest, taxes, and wage rates. [4]Average price received by farmers in Iowa and Illinois. [5]Average prices paid by farmers in Iowa and Illinois. [6]Assumes an owner-operator receiving twice the farm labor rate. [7]Converted from cents/mile for a 44,000-pound haul. [8]Yardage plus commission fees at a Midwest terminal market.

during June through mid-August, more than 10 pounds below the same period last year. Weights during mid-August through mid-September averaged near 630 pounds, only slightly below a year ago. Weights moved above year-earlier levels late in the period, averaging 636 pounds in mid-September.

Despite Large Placements, Feedlot Inventories Remain Relatively Low

The number of cattle on feed in the 7 major feeding States on September 1 rose 8 percent above a year ago but was 3 percent below 1980. Feedlot placements and marketings during August were at near-record levels for the month. Feedlot placements were 22 percent above a year ago and 7 percent ahead of the 1980 pace. This was the second largest August placement rate since the series began in 1972. The 1.731 million head placed this year were nearly as large as 1978's record 1.757 million. The marketing pace was also a near record, second only to August 1972. Marketings again exceeded net placements during July-August, because the number of cattle placed on feed were 364,000 head fewer than those that were marketed. Consequently, the September 1 feedlot inventory, although larger than last year's, is the second lowest since 1977.

Sharply lower grain prices and lower interest rates are likely to keep placements above year-earlier levels through this fall. Feedlot inventories on September 1 were above a year ago in all monthly reporting States except Iowa. Placements in Iowa averaged 7- to 12-percent below a year ago in June and July. However,

7 States cattle on feed, placements, and marketings

Year	On feed	Change previous year	Net placements	Change previous year	Marketings	Change previous year
	1,000 head	*Percent*	*1,000 head*	*Percent*	*1,000 head*	*Percent*
1981						
Jan.	7,863	−7.0	1,167	−0.7	1,525	−8.8
Feb.	7,505	−5.7	1,061	+0.5	1,440	−8.9
Mar.	7,126	−4.3	1,264	+6.0	1,538	+3.9
Apr.	6,837	−4.5	1,579	+42.6	1,386	−3.4
May	7,030	+3.0	1,424	+1.1	1,400	+1.2
June	7,054	+2.9	1,241	−6.8	1,439	+3.4
July	6,846	+0.8	1,017	−28.6	1,412	+4.9
Aug.	6,451	−6.3	1,364	−12.4	1,526	+9.1
Sept.	6,289	−10.7	1,759	+5.8	1,432	−0.3
Oct.	6,596	−9.0	1,962	−7.3	1,445	−8.3
Nov.	7,113	−8.7	1,510	−1.0	1,295	−4.3
Dec.	7,328	−8.0	1,203	6.6	1,330	−4.2
1982						
Jan.	7,201	−8.4	1,376	+17.9	1,522	−0.2
Feb.	7,055	−6.0	1,227	+15.6	1,413	−1.9
Mar.	6,869	−3.6	1,697	+34.3	1,542	−0.7
Apr.	7,024	+2.7	1,456	−7.8	1,414	+2.0
May	7,066	+0.5	1,710	+20.1	1,413	+0.9
June	7,363	+4.4	1,313	+5.8	1,495	+3.2
July	7,181	+4.9	1,137	+11.8	1,482	+5.0
Aug.	6,836	+6.0	1,670	+22.4	1,689	+10.7
Sept.	6,817	+8.4				

during August, placements were 21 percent above a year ago as the likelihood of a large grain harvest increased and feed costs declined.

A larger proportion (than that which has occurred recently) of the cattle placed on feed this fall will likely be calves. The yearling supply has apparently been sharply reduced by the increased feedlot placements this summer and the still sizable, though reduced, nonfed steer and heifer slaughter. Cattle feeding and grazing interests may compete more intensely for the smaller feeder cattle supply this fall. Cattle marketed from feedlots in April through mid-summer were profitable. Marketings in September failed to cover all costs, but fed cattle prices were well above the costs of feeder cattle and feed. Fed cattle prices are expected to strengthen from their low early October level later this fall, and they should remain near the ranges needed to cover total costs through much of first-half 1983. At this time, prospects for over-wintering cattle on accumulated grass pasture or on wheat pasture look very favorable.

Beef Production To Hold Near Year-Earlier Level

Beef production this fall is expected to remain near this summer's and last year's levels. At the same time, sharply reduced pork production will hold down competing meat supplies. This summer's trend of an increasing proportion of fed beef in the production mix will continue this fall and into the first half of 1983. Cow slaughter is likely to rise seasonally this fall, but nonfed steer and heifer slaughter may drop a third or more from last fall's large level.

Beef production in first-half 1983 will likely average slightly above a year earlier. Increased fed beef production is expected to more than offset reduced nonfed slaughter. Cow slaughter is forecast to average near 1982's level, but nonfed steer and heifer slaughter will likely drop substantially, as feeder cattle supplies continue below year-earlier inventories.

Slaughter weights will remain a key factor governing production and prices in 1982/83. Some concern has been raised that low grain prices encourage heavier slaughter weights. However, excessive marketing weights are generally the result of negative returns rather than low grain prices. Profitability through much of this period is expected to encourage continued current marketings of feedlot inventories. In addition, the demand for cattle fed for shorter feeding periods continues good, and larger volumes of beef than a year or so ago are now being marketed under "leaner meat" house brands by many retailers.

Cattle Prices To Rise into 1983

Monthly prices for Choice fed steers peaked at $72.10 per cwt in May. Prices declined modestly to the mid-$60's in midsummer. Increased fed cattle slaughter, heavier slaughter weights, and renewed caution on the part of consumers as the economic turnaround failed to materialize resulted in fed cattle prices below $60 in mid-September. However, reported near-record marketings in August, plus verification that pork supplies would indeed remain well below a year ago through mid-1983, failed to support stronger prices. Prices in early October for both cattle and hogs declined below $60.

Price increases before midfall will rely heavily on feedlots remaining current on fed cattle marketings, particularly as the fall grain harvests get underway. Dressed carcass weights rose about 10 pounds from early August to early September. With the already large weekly slaughter of about 700,000 head in September, this 10-pound increase raises production by 7 million pounds weekly.

Purchased during / Marketed during	Selected costs at current rates[1]									
	Nov. May	Dec. June	Jan. 82 July	Feb. Aug.	Mar. Sept.	Apr. Oct.	May Nov.	June Dec.	July Jan. 83	Aug. Feb.
	Dollars per head									
Expenses:										
600-lb feeder steer	384.12	360.36	360.48	379.68	394.68	396.48	406.68	393.42	391.56	407.10
Transportation to feedlot (400 miles)	5.28	5.28	5.28	5.28	5.28	5.28	5.28	5.28	5.28	5.28
Corn (45 bu)	106.20	108.00	112.50	108.90	109.80	113.40	116.10	114.30	112.50	102.60
Silage (1.7 tons)	36.75	37.23	38.22	38.39	39.25	40.92	39.75	38.69	37.52	34.24
Protein supplement (270 lb)	33.62	33.62	33.35	33.75	33.89	33.75	34.96	34.56	34.16	34.02
Hay (400 lb)	11.40	12.00	12.10	12.70	13.20	13.90	12.70	12.20	11.60	10.60
Labor (4 hours)	14.80	14.80	14.80	14.80	14.80	14.80	14.80	14.80	14.80	14.80
Management[2]	7.40	7.40	7.40	7.40	7.40	7.40	7.40	7.40	7.40	7.40
Vet. medicine[3]	4.87	4.85	4.97	4.98	5.01	5.01	5.03	5.04	5.06	5.06
Interest on purchase (6 months)	35.65	33.44	30.53	32.16	33.43	34.30	35.18	34.03	33.54	34.99
Power, equip., fuel, shelter, depreciation[3]	22.73	22.60	23.19	23.24	23.39	23.37	23.48	23.52	23.61	23.61
Death loss (1% of purchase)	3.84	3.60	3.60	3.80	3.95	3.96	4.07	3.93	3.90	4.07
Transportation (100 miles)	2.31	2.31	2.31	2.31	2.31	2.31	2.31	2.31	2.31	2.31
Marketing expenses	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35
Miscellaneous & indirect costs[3]	9.83	9.77	10.03	10.05	10.12	10.11	10.15	10.17	10.21	10.21
Total	682.15	658.61	662.11	680.79	699.86	708.34	721.24	703.00	696.80	699.64
	Dollars per cwt									
Selling price/cwt required to cover feed and feeder costs (1,050 lb)	54.48	52.50	53.01	54.61	56.27	57.00	58.11	56.49	55.94	56.05
Selling price/cwt required cover all costs (1,050 lb)	64.97	62.72	63.06	64.84	66.65	67.46	68.69	66.95	66.36	66.63
Feed costs per 100-lb gain	41.77	42.41	43.59	43.05	43.59	44.88	45.22	44.39	43.51	40.32
Choice steers, Omaha	72.10	70.18	66.18	65.14						
Net margin/cwt	+7.13	+7.46	+3.12	+.30						
Prices:										
Feeder steer, Choice (600-700 lb) Kansas City/cwt	64.02	60.06	60.08	63.28	65.78	66.08	67.78	65.57	65.26	67.85
Corn/bu[4]	2.36	2.40	2.50	2.42	2.44	2.52	2.58	2.54	2.50	2.28
Hay/ton[4]	57.00	60.00	60.50	63.50	66.00	69.50	63.50	61.00	58.00	53.00
Corn silage/ton[5]	21.62	21.90	22.48	22.58	23.09	24.07	23.38	22.76	22.07	20.14
32-36% protein supp./cwt[6]	12.45	12.45	12.35	12.50	12.55	12.50	12.95	12.80	12.65	12.60
Farm labor/hour	3.70	3.70	3.70	3.70	3.70	3.70	3.70	3.70	3.70	3.70
Interest, annual rate	18.56	18.56	16.94	16.94	16.94	17.30	17.30	17.30	17.19	17.19
Transportation rate/cwt per 100 miles[7]	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22
Marketing expenses[8]	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35
Index of prices paid by farmers (1910-14=100)	1037	1031	1058	1060	1067	1066	1071	1073	1077	1077

[1]Represents only what expenses would be if all selected items were paid for during the period indicated. The feed ration and expense items do not necessarily coincide with experience of individual for management, production level, and locality of operation. [2]Assumes 1 hour at twice the labor rate. [3]Adjusted monthly by the Index of prices paid by farmers for commodities, services, interest, taxes, and wage rates. [4]Average price received by farmers in Iowa and Illinois. [5]Corn silage price derived from an equivalent price of 5 bushels corn and 330 lb hay. [6]Average price paid by farmers in Iowa and Illinois. [7]Converted from cents/mile for a 44,000-pound haul. [8]Yardage plus commission fees at a Midwest terminal market.

Great Plains custom cattle feeding

Purchased during / Marketed during	Selected costs at current rates [1]									
	Nov. May	Dec. June	Jan. 82 July	Feb. Aug.	Mar. Sept.	Apr. Oct.	May Nov.	June Dec.	July Jan. 83	Aug. Feb.
	Dollars per head									
Expenses:										
600 lb feeder steer	385.02	363.00	364.68	382.68	388.44	384.42	387.00	380.28	391.74	402.66
Transportation to feedlot (300 miles)	3.96	3.96	3.96	3.96	3.96	3.96	3.96	3.96	3.96	3.96
Commission	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Feed:										
Milo (1,500 lb)	70.20	70.05	70.95	70.80	69.90	72.00	78.30	79.05	80.55	72.00
Corn (1,500 lb)	77.85	75.75	79.95	79.80	79.95	82.50	89.25	88.95	83.25	76.05
Cottonseed meal (400 lb)	48.00	48.00	48.00	50.00	52.00	48.00	48.00	46.00	46.00	46.00
Alfalfa hay (800 lb)	46.40	47.20	47.20	48.00	46.80	46.40	44.80	45.20	45.60	45.20
Total feed cost	242.45	241.00	246.10	248.60	248.65	248.90	260.35	259.20	255.40	239.25
Feed handling & management charge	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00
Vet medicine	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Interest on feeder & 1/2 feed	45.98	42.71	43.09	46.69	48.14	46.86	47.63	47.16	47.40	43.55
Death loss (1.5 percent of purchase)	5.78	5.46	5.47	5.74	5.83	5.77	5.81	5.70	5.88	6.04
Marketing[2]	f.o.b.	f.o.b.	f.o.b.	f.o.b.	f.o.b.	f.o.b.	f.o.b.	f.o.b.	f.o.b.	f.o.b.
total	710.19	683.13	690.30	714.67	722.02	716.91	731.75	723.30	731.38	722.46
	Dollars per cwt									
Selling price required to cover[3]										
Feed and feeder cost (1,056 lb)	59.42	57.20	57.84	59.78	60.33	59.97	61.30	60.56	61.28	60.79
All costs	67.25	64.69	65.37	67.68	68.37	67.89	69.29	68.49	69.26	68.41
Selling price $/cwt[4]	74.43	71.58	66.66	65.76						
Net margin/cwt	+7.18	+6.89	+1.29	−1.92						
Cost per 100 lb gain:										
Variable costs less interest	54.45	54.09	55.11	55.67	55.70	55.73	58.03	57.78	57.06	53.86
Feed costs	48.49	48.20	49.22	49.72	49.73	49.78	52.07	51.84	51.08	47.85
Unit Prices:										
Choice feeder steer 600–700 lb Amarillo $/cwt	64.17	60.50	60.78	63.78	64.74	64.07	64.50	63.38	65.29	67.11
Transportation rate $/cwt/100 miles[5]	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22
Commission fee $/cwt	.50	.50	.50	.50	.50	.50	.50	.50	.50	.50
Milo $/cwt[6]	4.68	4.67	4.73	4.72	4.66	4.80	5.22	5.27	5.37	4.80
Corn $/cwt[6]	5.19	5.05	5.33	5.32	5.33	5.50	5.95	5.93	5.55	5.07
Cottonseed meal $/cwt[7]	12.00	12.00	12.00	12.50	13.00	12.00	12.00	11.50	11.50	11.50
Alfalfa hay $/ton[8]	116.00	118.00	118.00	120.00	117.00	116.00	112.00	113.00	114.00	113.00
Feed handling & management charge $/ton	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
Interest, annual rate	18.25	17.75	17.75	18.50	18.50	18.50	18.50	18.50	18.25	16.75

[1]Represents only what expenses would be if all selected items were paid for during the period indicated. The feed ration and expense items do not necessarily coincide with experience of individual feedlots. For individual use, adjust expenses and prices for management, production level, and locality of operation. Steers are assumed to gain 500 lbs in 180 days at 2.8 lbs per day with feed conversion of 8.4 lbs per pound gain. [2]Most cattle sold f.o.b. at the feedlot with 4 percent shrink. [3]Sale weight 1,056 lbs (1,100 lbs less 4 percent shrink). [4]Choice slaughter steers, 900-1100 lbs, Texas-New Mexico direct. [5]Converted from cents per mile for a 44,000-lb haul. [6]Texas Panhandle elevator price plus $.15/cwt handling and transportation to feedlots. [7]Average prices paid by farmers in Texas. [8]Average price received by farmers in Texas plus $30/ton handling and transportation to feedlots.

Beef production is expected to rise only slightly this fall. Pork production will have only a small seasonal increase but will remain sharply below a year ago. Total red meat supplies will be well below those of last fall. The lower supplies will push per capita red meat consumption to the lowest levels since the mid-1960's. The continued sluggish economy will moderate the rate of price response this fall. Fed cattle prices are expected to average $65 to $69 this fall, with the highest prices coming late in the quarter. Firm evidence of sustainable economic recovery later this fall or early in 1983 could result in renewed consumer confidence and even stronger

Balance sheet for sheep and lambs, United States

Year	On farms Jan. 1	Lambs crop	Net exports	Slaughter	Deaths	Adjustment factor	On farms Dec. 31
				1,000 head			
1970	20,423	13,465	+121	10,801	3,116	−119	19,731
1971	19,731	12,998	+208	10,965	2,928	+111	18,739
1972	18,739	12,599	+146	10,525	2,897	−129	17,641
1973	17,641	11,500	+195	9,799	2,827	−10	16,310
1974	16,310	10,509	+290	9,064	2,657	−293	14,515
1975	14,515	9,857	+336	8,047	2,424	−254	13,311
1976	13,311	8,888	+240	6,911	2,185	−141	12,722
1977	12,722	8,606	+197	6,555	2,091	−137	12,348
1978	12,348	8,020	+131	5,543	2,022	−307	12,365
1979	12,365	7,974	+116	5,189	1,959	−388	12,687
1980	12,687	8,246	+103	5,742	1,909	−243	12,936
1981	12,936	8,855	+214	6,197	1,876	−388	13,116
1982[1]	13,116						

[1]Preliminary.

prices in the first half of 1983. Although poultry consumption in first-half 1983 will likely rise above 1982 levels, pork supplies will be sharply lower, and beef will decline slightly. Consequently, fed cattle prices may average $65 to $71 through the first half of next year.

Prices for yearling feeder steers will likely remain near to slightly above fed cattle prices through mid-1983. However, large losses in 1980 and 1981 will tend to hold down bidding enthusiasm. Lower grain prices and interest rates, plus stronger fed cattle prices, indicate support for feeder cattle prices in the $68 to $70 range for the next three quarters. Reduced feeder cattle supplies and large forage supplies will likely encourage producers to resist lower prices by holding their cattle off the market for additional weight gain.

SHEEP AND LAMBS

Commercial lamb and mutton production in the third quarter of this year totaled about 87 million pounds, up 10 percent from a year earlier. This increase results from an 8-percent larger slaughter of lambs and yearlings and heavier dressed weights. Lamb and mutton output in the fourth quarter is projected to be 92 million pounds, up 6 percent. Lamb and mutton production for the year is forecast at 354 million pounds, an 8-percent increase. This would be highest production since 1976.

Choice lamb prices at San Angelo averaged $55 per cwt in the third quarter, down 7 percent from a year earlier. In the fourth quarter, prices are expected to average $55 to $58 per cwt. Prices for the year will likely average $58 to $59 per cwt, about the same as last year.

CONSUMPTION AND PRICES

Total Meat Supplies To Remain Below a Year Ago

Red meat and poultry consumption, on a retail-weight basis, continued below year-earlier levels this summer. This marks the ninth consecutive quarter in which per capita meat supplies averaged lower than a year earlier, and it coincides with the sharp drop in pork production. During much of this period, beef consumption averaged near year-earlier levels. The reductions in red meat production reflect cutbacks in hog breeding inventories since 1980 and, until this spring, reduced fed cattle inventories. Per capita pork consumption will show only a modest seasonal increase this fall and will likely be about 18 percent (3 pounds per capita) below last fall.

Cattle feeders have reacted to higher prices and profits by sharply increasing feedlot placements. However, this has resulted in reduced nonfed steer and heifer slaughter. Nevertheless, fed beef supplies will likely continue above a year ago through first-half 1983. Rising fed beef supplies will be partially offset by reduced supplies of lower grade processing beef, particularly this fall. This summer, increased supplies of cow beef just about offset lower supplies of nonfed steer and heifer beef. However, larger supplies of imported beef, largely from drought-affected Australia, resulted in bigger supplies of processing beef. Beef imports are now approaching the trigger level, which limits further increases, thus supplies should drop off sharply this fall. The sharply reduced pork supplies and lower processing beef supplies in prospect for this fall will likely result in higher prices for hamburger and other processed meat.

Through this summer, poultry supplies continued to rise above a year ago, as sharp reductions in broiler exports pushed up domestic supplies. Poultry consumption this fall may only equal year-earlier levels. Total red meat and poultry per capita consumption this fall may be the smallest in the last decade.

Total red meat and poultry supplies will almost certainly remain below year-earlier levels through first-half 1983. Continued reductions in pork supplies and only modest gains in poultry will result in reduced consumption. Beef consumption will likely rise above a year earlier in the winter quarter, because of larger fed beef production and increased beef imports under the 1983 trigger level.

Price Changes To Moderate

Retail prices for Choice beef and pork reached record levels in June. Pork prices averaged $1.75 a pound, while beef was about $2.55. Since June, pork prices continued to rise, averaging nearly $1.84 in August. On the other hand, beef prices declined as production rose, averaging

$2.47 in August, still the highest price recorded prior to June of this year.

The farm-to-retail spread for pork continues to average in the low 80-cent range, well below fourth-quarter 1981's 91-cent average. The wholesale-retail and farm-wholesale components of the farm-retail price spread show diverse patterns of change. The wholesale-retail component rose 18 percent, while the farm-wholesale spread declined 11 percent. The major pork-packing firms obtained wage concessions in return for an agreement to avoid plant closings. So, if the plant is open, then costs are minimized if the plant is operated at full capacity. Thus, the packers have been under pressure to bid up hog prices to maintain volume. Because the packers are committed to keeping plants open, they have been competing against each other for the reduced number of hogs. To maintain their volume, packers may pay higher that breakeven prices in the shortrun.

With only small gains in supplies of competing meats expected this fall through the first half of next year, and with pork supplies likely to decline further, pork spreads may remain narrow. Consequently, retail pork prices will likely show only modest additional increases through the first half of 1983, with prices averaging near $1.85. This would be only a slight rise from the record $1.84 average in August, but up substantially from the year-earlier level.

Farm-retail spreads for beef have widened substantially from the lower first-half levels and are near the wider spreads of last fall. Larger beef supplies and falling prices for live animals have allowed wider spreads, particularly at the wholesale-to-retail level this summer.

Retail prices for Choice beef will also likely increase only modestly through next spring. Tighter beef supplies and already wide farm-to-retail price spreads should allow for the absorption of some increases in live animal prices this fall and in 1983. This could result in only modest increases in retail prices and in a smaller spread. Retail prices for Choice beef may average about $2.50 through first-half 1983.

Broiler prices through late summer have continued below a year earlier. Even though meat supplies will tighten further through early 1983, only modest increases in broiler prices are expected. Prices this fall may average near a year earlier but then will be only 45 to 49 cents through next spring, slightly above 1982 levels. These lower prices will also moderate the rate of gain in red meat prices from present near-record levels.

USDA
NOV. 29-DEC. 1, 1982

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OUTLOOK '83

Total red meat supply and utilization by quarters, carcass and retail weight, 1981-82[1]

Year	Commercial production	Farm production	Beginning stocks	Imports	Total supply	Exports	Shipments	Military purchases	Ending stocks	Total disappearance	Per capita disappearance: Carcass weight	Per capita disappearance: Retail weight	Population
	Million pounds										*Pounds*		*Millions*
Beef:													
1981													
I	5,561.00	61.00	328.00	447.80	6,397.80	61.40	10.09	49.00	342.00	5,935.30	26.16	19.36	226.90
II	5,435.00	26.00	342.00	418.00	6,221.00	46.96	9.64	58.00	297.00	5,809.40	25.55	18.90	227.40
III	5,541.00	26.00	297.00	508.70	6,372.70	47.09	10.38	53.00	235.00	6,027.23	26.44	19.56	228.00
IV	5,677.00	62.00	235.00	368.49	6,342.49	60.47	5.70	35.00	257.00	5,984.33	26.18	19.37	228.60
Year	22,214.00	175.00	328.00	1,742.99	24,459.99	215.92	35.80	195.00	257.00	23,756.27	104.32	77 20	227.70
1982													
I	5,449.00	61.00	257.00	367.93	6,134.93	55.45	12.54	36.00	212.00	5,818.94	25.40	18.80	229.10
II	5,363.00	26.00	212.00	538.37	6,139.37	65.56	14.74	39.00	188.00	5,832.07	25.41	18.80	229.50
Veal:													
1981													
I	100.00	7.00	9.00	5.34	121.34	1.31	0.30	2.00	10.00	107.72	0.47	0.39	226.90
II	95.00	3.00	10.00	1.87	109.87	1.42	0.27	3.00	8.00	97.18	0.43	0.35	227.40
III	105.00	3.00	8.00	3.03	119.03	1.58	0.39	3.00	7.00	107.06	0.47	0.39	228.00
IV	115.00	8.00	7.00	7.72	137.72	0.88	0.08	2.00	9.00	125.76	0.55	0.46	228.60
Year	415.00	21.00	9.00	17.96	462.96	5.19	1.04	10.00	9.00	437.73	1.92	1.60	227.70
1982													
I	107.00	7.00	9.00	3.24	126.24	.85	.40	1.00	8.00	115.99	.51	.42	229.10
II	99.00	3.00	8.00	6.77	116.77	1.06	.28	2.00	7.00	106.43	.46	.38	229.50
Pork:													
1981													
I	4,073.00	55.00	349.00	136.65	4,613.65	93.67	43.13	29.00	361.00	4,086.85	18.01	16.81	226.90
II	3,881.00	23.00	361.00	138.17	4,403.17	91.58	40.39	31.00	347.00	3,893.19	17.12	15.87	227.40
III	3,605.00	23.00	347.00	133.99	4,108.98	44.59	37.86	35.00	207.00	3,784.54	16.60	15.38	228.00
IV	4,157.00	55.00	207.00	132.62	4,551.62	77.21	23.39	25.00	264.00	4,162.02	18.21	16.90	228.60
Year	15,716.00	156.00	349.00	541.43	16,762.43	307.05	144.76	120.00	264.00	15,926.61	69.94	64.97	227.70
1982													
I	3,695.00	55.00	264.00	126.00	4,140.00	57.70	33.76	17.00	274.00	3,757.54	16.40	15.29	229.1
II	3,550.00	23.00	274.00	158.81	4,005.81	80.62	35.66	27.00	265.00	3,597.53	15.68	14.61	229.5
Lamb and mutton:													
1981													
I	84.00	3.00	9.00	5.09	101.09	0.54	0.66	0.00	8.00	91.90	0.41	0.36	226.90
II	77.00	2.00	8.00	13.11	100.11	0.44	0.92	1.00	12.00	85.75	0.38	0.34	227.40
III	79.00	2.00	12.00	10.68	103.68	0.38	0.38	0.00	13.00	89.92	0.39	0.35	228.00
IV	87.00	3.00	13.00	2.19	105.19	1.07	0.40	0.00	11.00	92.72	0.41	0.36	228.60
Year	327.00	10.00	9.00	31.08	377.08	2.43	2.36	1.00	11.00	360.30	1.58	1.41	227.70
1982													
I	90.00	3.00	11.00	3.44	107.44	.37	.63	0.00	9.00	97.44	.43	.38	229.10
II	85.00	2.00	9.00	7.26	103.26	.47	.69	0.00	8.00	94.10	.41	.36	229.50
Total meat:													
1981													
I	9,818.00	126.00	695.00	594.88	11,233.87	156.92	54.18	80.00	721.00	10,221.77	45.05	36.92	226.90
II	9,488.00	54.00	721.00	571.15	10,834.14	140.40	51.21	93.00	664.00	9,885.53	43.47	35.47	227.40
III	9,330.00	54.00	664.00	656.39	10,704.39	93.64	49.00	91.00	462.00	10,008.75	43.90	35.68	228.00
IV	10,036.00	128.00	462.00	511.04	11,137.03	139.63	29.56	62.00	541.00	10,364.84	45.34	37.09	228.60
Year	38,672.00	362.00	695.00	2,333.46	42,062.45	530.59	183.96	326.00	541.00	40,480.90	177.76	145.17	227.70
1982													
I	9,341.00	126.00	541.00	500.61	10,508.61	114.37	47.33	54.00	503.0	9,789.91	42.74	34.89	229.10
II	9,097.00	54.00	503.00	711.21	10,365.21	147.75	51.37	68.00	468.0	9,630.13	41.96	34.15	229.50

[1]Totals may not add due to rounding.

Beef, Choice Yield Grade 3: Retail, carcass, and farm values, spreads, and farmers' share, 1977 to present[1]

Year	Retail price[2]	Gross carcass value[3]	Carcass by product allowance[4]	Net carcass value[5]	Gross farm value[6]	Farm by-product allowance[7]	Net farm value[8]	Farm-retail spread: Total	Farm-retail spread: Carcass-retail	Farm-retail spread: Farm-carcass	Farmers' share[9]
	Cents/lb.										*Percent*
1977	148.4	95.7	1.9	93.8	97.3	11.8	85.5	62.9	54.6	8.3	58
1978	181.9	121.6	2.3	119.3	126.1	15.0	111.1	70.8	62.6	8.2	61
1979	226.3	153.3	2.8	150.5	163.4	22.6	140.8	85.5	75.8	9.7	62
1980	237.6	157.7	2.3	155.4	161.9	16.9	145.0	92.6	82.2	10.4	61
1981	238.7	151.5	2.1	149.3	154.5	16.0	138.5	100.2	89.4	10.8	58
1978											
I	162.7	108.5	2.0	106.4	110.4	12.6	97.8	64.9	56.3	8.6	60
II	185.7	129.1	2.2	126.9	133.8	14.2	119.6	66.1	58.8	7.3	64
III	189.4	124.3	2.4	121.9	129.3	16.2	113.1	76.3	67.5	8.8	60
IV	189.7	124.5	2.4	122.1	131.0	17.2	113.8	75.9	67.6	8.3	60
1979											
I	215.4	148.8	2.7	146.1	158.4	21.1	137.3	78.1	69.3	8.8	64
II	235.5	160.8	3.1	157.7	175.3	27.0	148.3	87.2	77.8	9.4	63
III	226.6	149.3	2.7	146.6	158.7	22.3	136.4	90.1	79.9	10.2	59
IV	227.7	154.4	2.6	151.8	160.9	17.9	141.0	86.7	75.9	10.8	62
1980											
I	235.2	155.8	2.2	153.6	160.4	17.2	143.2	92.0	81.6	10.4	61
II	231.4	154.4	2.1	152.3	156.5	14.2	142.3	89.1	79.1	10.0	62
III	241.6	165.4	2.5	162.9	171.1	18.2	152.9	88.7	78.7	10.0	63
IV	242.3	155.1	2.3	152.8	159.5	18.1	141.4	100.9	89.5	11.4	58
1981											
I	237.5	147.5	2.0	145.4	150.1	16.0	134.1	103.4	92.1	11.3	56
II[10]	234.7	155.5	2.1	153.4	160.8	16.6	144.2	90.5	81.3	9.2	61
III	243.1	158.3	2.3	156.0	160.8	16.3	144.5	98.6	87.1	11.5	59
IV	239.5	144.5	2.1	142.4	146.4	15.2	131.1	108.4	97.1	11.3	55
1982											
I	237.3	151.9	2.0	149.9	153.5	14.7	138.8	98.5	87.4	11.1	59
II	247.2	168.0	2.5	165.5	171.2	15.9	155.3	91.9	81.7	10.2	63
1981[10]											
Jan.	239.5	152.6	2.1	150.5	154.5	16.5	138.0	101.5	89.0	12.5	58
Feb.	237.5	146.6	2.0	144.6	149.2	15.3	133.9	103.6	92.9	10.7	56
Mar.	235.6	143.2	2.0	141.2	146.7	16.1	130.6	105.0	94.4	10.6	55
Apr.	230.9	148.7	2.0	146.7	155.0	17.1	137.9	93.0	84.2	8.8	60
May	234.3	157.3	2.2	155.1	162.3	16.7	145.6	88.6	79.1	9.5	62
June	238.9	160.6	2.2	158.4	165.2	16.0	149.2	89.7	80.5	9.2	63
July	242.9	162.2	2.3	159.9	164.2	16.3	147.9	95.0	83.0	12.0	62
Aug.	242.7	156.5	2.4	154.1	159.1	16.2	142.9	99.8	88.6	11.2	59
Sept.	243.8	156.2	2.3	153.9	159.1	16.3	142.8	101.0	89.9	11.1	59
Oct.	241.5	146.3	2.1	144.2	149.2	15.7	133.4	108.1	97.3	10.8	55
Nov.	239.0	144.3	2.2	142.1	146.6	15.2	131.4	107.6	96.9	10.7	55
Dec.	238.0	143.0	2.0	141.0	143.3	14.7	128.6	109.4	97.0	12.4	54
1982											
Jan.	236.9	147.1	2.0	145.1	146.3	14.5	131.8	105.1	91.8	13.3	56
Feb.	238.0	152.0	2.0	150.0	154.3	14.5	139.8	98.2	88.0	10.2	59
Mar.	237.0	156.7	2.1	154.6	160.0	15.1	144.9	92.1	82.4	9.7	61
Apr.	240.4	164.6	2.4	162.2	167.5	15.7	151.8	88.6	78.2	10.4	63
May	246.5	172.6	2.7	169.9	176.0	16.3	159.7	86.8	76.6	10.2	65
June	254.6	166.9	2.5	164.4	170.1	15.7	154.4	100.2	90.2	10.0	61
July	251.8	154.8	2.2	152.6	159.0	15.6	143.4	108.4	99.2	9.2	57
Aug.	246.9	152.4	2.2	150.2	157.0	15.6	141.4	105.5	96.7	8.8	57

[1]Revised series. [2]Estimated weighted-average price of retail cuts from Choice Yield Grade 3 carcass. [3]Value of carcass-quantity equivalent to 1 lb of retail cuts. A wholesale-carcass equivalent of 1.464 was used prior to 1970; it was increased gradually to 1.476 in 1976 and later years. [4]Portion of gross carcass value attributed to fat and bone trim. [5]Gross carcass value minus carcass byproduct allowance. [6]Market value to producer for quantity of live-animal equivalent to 1 lb of retail cuts. The farm-product equivalent of 2.36 was used prior to 1970; it was increased gradually to 2.40 in 1976 and later years. [7]Portion of gross farm value attributed to edible and inedible byproducts. [8]Gross farm value minus farm byproduct allowance. [9]Percent net farm value is of retail price. [10]ERS data through May 1981, BLS series since June.

Pork: Retail, wholesale, and farm values, spreads, and farmers' share, 1977 to present[1]

Year	Retail price[2]	Wholesale value[3]	Gross farm value[4]	Byproduct allowance[5]	Net farm value[6]	Farm-retail spread		Farm wholesale	Farmers' share[7]
						Total	Wholesale retail		
	Cents/lb								*Percent*
1977	125.4	99.0	70.2	4.6	65.6	59.8	26.4	33.4	52
1978	143.6	107.7	82.5	5.9	76.6	67.0	35.9	31.1	53
1979	144.1	100.4	72.2	5.6	66.6	77.5	43.7	33.8	46
1980	139.4	98.0	68.3	5.1	63.2	76.2	41.4	34.8	45
1981	152.4	106.7	75.5	5.2	70.3	82.1	45.7	36.4	46
1978									
I	137.0	104.8	80.7	5.6	75.1	61.9	32.2	29.7	55
II	142.4	105.6	81.3	5.8	75.5	66.9	36.8	30.1	53
III	144.7	107.6	82.4	6.0	76.4	68.3	37.1	31.2	53
IV	150.1	112.7	85.3	6.1	79.2	70.9	37.4	33.5	53
1979									
I	156.1	113.8	88.2	6.9	81.3	74.8	42.3	32.5	52
II	148.2	100.1	73.1	5.7	67.4	80.8	48.1	32.7	45
III	138.0	93.4	65.6	5.1	60.5	77.5	44.6	32.9	44
IV	134.3	94.1	62.0	4.7	57.3	77.0	40.2	36.8	43
1980									
I	133.9	90.9	61.8	4.6	57.2	76.7	43.0	33.7	43
II	125.3	82.3	53.1	3.8	49.3	76.0	43.0	33.0	39
III	144.2	107.7	78.6	5.7	72.9	71.3	36.5	34.8	51
IV	154.3	111.2	79.1	5.8	73.3	81.0	43.1	37.9	48
1981									
I	148.7	103.4	70.0	4.8	65.2	83.5	45.3	38.2	44
II[8]	144.7	104.1	73.9	5.0	68.9	75.8	40.6	35.2	48
III	157.5	113.6	85.8	5.9	79.9	77.6	43.9	33.7	51
IV	158.7	105.6	72.4	5.0	67.4	91.3	53.1	38.2	42
1982									
I	160.1	108.7	82.0	5.6	76.4	83.7	51.4	32.4	48
II	169.3	120.4	96.1	6.6	89.5	79.9	48.9	30.9	53
1981[8]									
Jan.	151.5	104.1	70.6	5.0	65.6	85.9	47.4	38.5	43
Feb.	148.4	104.6	72.1	4.8	67.3	81.1	43.8	37.3	45
Mar.	146.2	101.6	67.2	4.6	62.6	83.6	44.6	39.0	43
Apr.	142.7	101.2	67.4	4.6	62.8	79.9	41.5	38.4	44
May	144.9	101.5	71.1	4.8	66.3	78.6	43.4	35.2	46
June	146.6	109.5	83.1	5.6	77.5	69.1	37.1	32.0	53
July	154.9	114.5	86.8	5.9	80.9	74.0	40.4	33.6	52
Aug.	158.1	113.6	86.3	5.9	80.4	77.7	44.5	33.2	51
Sept.	159.5	112.7	84.3	6.0	78.3	81.2	46.8	34.4	49
Oct.	160.4	107.9	77.3	5.5	71.8	88.6	52.5	36.1	45
Nov.	158.2	105.3	71.8	5.0	66.8	91.4	52.9	38.5	42
Dec.	157.4	103.5	68.0	4.5	63.5	93.9	53.9	40.0	40
1982									
Jan.	158.2	107.0	77.8	5.2	72.6	85.6	51.2	34.4	46
Feb.	160.7	108.8	84.2	5.9	78.3	82.4	51.9	30.5	49
Mar.	161.4	110.4	84.0	5.8	78.2	83.2	51.0	32.2	48
Apr.	163.0	114.0	88.8	6.1	82.7	80.3	49.0	31.3	51
May	169.6	122.1	98.8	6.8	92.0	77.6	47.5	30.1	54
June	175.4	125.1	100.6	6.9	93.7	81.7	50.3	31.4	53
July	181.1	129.3	101.8	6.7	95.1	86.0	51.8	34.2	53
Aug.	183.5	132.8	107.3	7.2	100.1	83.4	50.7	32.7	55

[1]Revised series. [2]Estimated weighted-average price of retail cuts from pork carcass. [3]Value of wholesale quantity equivalent to 1 lb of retail cuts. A wholesale-carcass equivalent of 1.06 is used for all years. [4]Market values to producer for quantity of live-animal equivalent to 1 lb of retail cuts. The farm-product equivalent of 2.12 was used prior to 1959; it was decreased gradually to 1.70 in 1977 and later. [5]Portion of gross farm value attributable to edible and inedible byproducts. [6]Gross farm value minus byproduct allowance. [7]Percent net farm value is of retail price. [8]ERS data through May 1981, BLS series since June.

Average retail price of specified meat cuts, per pound, by month, 1980 to date[1]

Year and item	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
						Cents						
CHOICE BEEF:												
Ground chuck												
1980	1.82	1.84	1.86	1.82	1.81	1.79	1.78	1.84	1.86	1.86	1.85	1.86
1981	1.86	1.83	1.82	1.78	1.78	1.78	1.76	1.80	1.82	1.80	1.81	1.81
1982	1.79	1.80	1.77	1.77	1.78	1.82	1.79	1.76				
Chuck roast, bone in												
1980	1.78	1.82	1.85	1.80	1.76	1.73	1.80	1.81	1.86	1.86	1.89	1.87
1981	1.86	1.85	1.83	1.78	1.79	1.79	1.82	1.82	1.84	1.81	1.83	1.78
1982	1.77	1.81	1.77	1.80	1.78	1.86	1.84	1.80				
Round roast, boneless												
1980	2.61	2.62	2.58	2.57	2.58	2.56	2.60	2.62	2.64	2.66	2.66	2.61
1981	2.64	2.62	2.60	2.59	2.62	2.62	2.64	2.65	2.63	2.64	2.63	2.63
1982	2.58	2.62	2.61	2.65	2.72	2.77	2.71	2.62				
Rib roast, bone in												
1980	2.92	2.91	2.92	2.84	2.85	2.86	2.91	2.98	3.05	3.05	3.02	3.04
1981	3.03	2.95	2.96	2.91	3.00	2.98	3.06	3.07	3.12	3.07	3.07	3.09
1982	3.12	3.07	3.07	3.07	3.20	3.36	3.39	3.36				
Round steak, boneless												
1980	2.72	2.72	2.74	2.73	2.71	2.70	2.77	2.79	2.83	2.81	2.87	2.81
1981	2.83	2.84	2.80	2.80	2.82	2.86	2.89	2.90	2.86	2.94	2.92	2.90
1982	2.88	2.84	2.90	2.95	2.99	3.14	3.02	2.96				
Sirloin steak, bone in												
1980	2.85	2.80	2.83	2.86	2.84	3.00	3.04	3.10	3.14	2.97	3.00	2.93
1981	2.92	2.88	2.89	2.88	3.04	3.06	3.21	3.12	3.16	3.04	2.84	2.85
1982	2.88	2.92	2.92	3.05	3.16	3.36	3.36	3.23				
Chuck steak, bone in												
1980	1.70	1.72	1.76	1.72	1.66	1.60	1.61	1.65	1.74	1.75	1.78	1.74
1981	1.73	1.73	1.71	1.72	1.77	1.69	1.69	1.73	1.76	1.78	1.76	1.74
1982	1.74	1.78	1.82	1.82	1.87	1.84	1.84	1.89				
T-Bone steak, bone in												
1980	3.46	3.42	3.44	3.46	3.50	3.61	3.76	3.86	3.88	3.69	3.65	3.63
1981	3.63	3.51	3.56	3.58	3.71	3.79	4.00	3.96	3.90	3.82	3.72	3.61
1982	3.62	3.59	3.61	3.77	3.90	4.11	4.13	4.05				
Porterhouse steak, bone in												
1980	3.40	3.59	3.56	3.60	3.62	3.80	3.76	3.97	3.96	3.81	3.86	3.78
1981	3.75	3.74	3.76	3.68	3.80	3.96	4.12	3.97	3.98	3.84	3.71	3.79
1982	3.76	3.77	3.71	3.78	4.09	4.18	4.22	4.11				
PORK												
Bacon, sliced												
1980	1.45	1.41	1.36	1.32	1.27	1.27	1.37	1.47	1.62	1.64	1.68	1.71
1981	1.67	1.64	1.60	1.53	1.55	1.60	1.67	1.69	1.75	1.78	1.77	1.75
1982	1.75	1.81	1.82	1.89	1.98	2.07	2.10	2.20				
Chops, center cut												
1980	1.96	1.91	1.88	1.87	1.80	1.82	1.93	2.01	2.07	2.06	2.06	2.07
1981	2.11	2.08	2.07	2.06	2.01	2.08	2.20	2.23	2.22	2.23	2.16	2.13
1982	2.20	2.21	2.18	2.25	2.33	2.43	2.50	2.51				
Ham, rump or shank half												
1980	1.25	1.19	1.21	1.13	1.11	1.08	1.12	1.25	1.29	1.35	1.40	1.40
1981	1.33	1.27	1.23	1.19	1.23	1.23	1.34	1.37	1.40	1.38	1.36	1.38
1982	1.38	1.35	1.40	1.32	1.39	1.43	1.43	1.41				
Ham, rump portion												
1980	1.18	1.14	1.19	1.10	.99	1.02	1.08	1.20	1.22	1.27	1.30	1.28
1981	1.23	1.15	1.14	1.07	1.07	1.14	1.16	1.22	1.24	1.24	1.26	1.26
1982	1.25	1.28	1.31	1.26	1.34	1.30	1.38	1.37				
Ham, shank portion												
1980	1.11	1.06	1.06	.97	.88	.88	.98	1.05	1.08	1.15	1.18	1.17
1981	1.10	1.06	1.04	1.00	1.02	1.04	1.07	1.12	1.14	1.16	1.16	1.18
1982	1.12	1.13	1.15	1.11	1.23	1.22	1.27	1.30				
Shoulder roast, blade Boston												
1980	1.29	1.24	1.24	1.18	1.12	1.13	1.26	1.37	1.42	1.40	1.42	1.44
1981	1.42	1.37	1.32	1.34	1.31	1.35	1.55	1.55	1.55	1.55	1.51	1.41
1982	1.42	1.46	1.46	1.40	1.48	1.57	1.69	1.72				
Sirloin roast, bone in												
1980	1.42	1.42	1.36	1.34	1.30	1.31	1.41	1.47	1.52	1.53	1.55	1.55
1981	1.56	1.52	1.51	1.50	1.50	1.52	1.63	1.64	1.61	1.63	1.58	1.60
1982	1.59	1.60	1.62	1.65	1.69	1.76	1.82	1.80				
Shoulder picnic, bone in												
1980	1.01	.98	1.00	.98	.84	.84	.91	1.00	1.07	1.06	1.10	1.07
1981	1.07	1.00	1.00	.99	.98	1.01	1.05	1.08	1.11	1.09	1.08	1.07
1982	1.10	1.09	1.08	1.12	1.11	1.14	1.18	1.19				
Sausage, fresh, pork, loose												
1980	1.41	1.34	1.37	1.35	1.32	1.30	1.31	1.38	1.50	1.54	1.56	1.56
1981	1.59	1.58	1.57	1.56	1.53	1.52	1.60	1.65	1.64	1.66	1.66	1.69
1982	1.72	1.76	1.79	1.79	1.82	1.89	1.95	1.96				
MISCELLANEOUS CUTS												
Ham, canned, 3 or 5 lbs												
1980	2.31	2.30	2.33	2.26	2.24	2.19	2.20	2.28	2.33	2.42	2.50	2.50
1981	2.54	2.50	2.45	2.38	2.40	2.38	2.39	2.42	2.48	2.50	2.52	2.54
1982	2.56	2.59	2.57	2.54	2.60	2.62	2.66	2.66				
Frankfurters, all meat												
1980	1.68	1.71	1.72	1.69	1.64	1.62	1.60	1.71	1.79	1.82	1.84	1.84
1981	1.82	1.81	1.77	1.74	1.69	1.72	1.74	1.80	1.77	1.78	1.79	1.78
1982	1.76	1.76	1.74	1.75	1.78	1.83	1.86	1.87				
Bologna												
1980	1.97	2.00	2.00	1.94	1.89	1.86	1.92	2.00	2.09	2.11	2.18	2.20
1981	2.21	2.18	2.11	2.10	2.03	2.06	2.10	2.12	2.11	2.13	2.10	2.11
1982	2.08	2.09	2.15	2.16	2.18	2.25	2.29	2.28				
Beef liver												
1980	1.22	1.19	1.21	1.14	1.14	1.12	1.08	1.11	1.17	1.21	1.20	1.23
1981	1.20	1.17	1.12	1.13	1.15	1.15	1.14	1.12	1.10	1.10	1.09	1.07
1982	1.00	1.02	1.05	1.05	1.04	1.03	1.04	1.01				

[1]Data from two series are included, the discontinued series (effective May, 1981) and a Bureau of Labor Statistics (BLS) series that replaces it. The cut name listed is the BLS cut terminology and the last three lines (1980, 1981, 1982) are the BLS date for this cut. Where available, data for a similar cut from the discontinued series are listed above (1980, 1981) the BLS data. For additional information, contact Karen Parham, (202) 447-4997.

Selected price statistics for meat animals and meat

Item	1981				1982							
	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.
	Dollars per cwt											
SLAUGHTER STEERS:												
Omaha:												
Choice, 900-1100 lb	65.37	61.45	59.81	59.24	60.75	63.54	65.80	69.11	72.10	70.18	66.18	65.14
Good, 900-1100 lb	60.93	58.36	57.21	55.53	55.89	58.02	60.48	64.59	67.02	65.17	61.35	60.85
California, Choice 900-1100 lb	68.40	65.88	65.19	63.95	63.06	64.31	66.90	69.75	73.56	70.40	66.38	66.13
Colorado, Choice 900-1100 lb	66.44	62.60	62.26	60.34	60.94	64.14	66.51	70.40	73.91	70.77	66.19	65.44
Texas, Choice 900-1100 lb	67.47	63.97	63.09	61.14	62.34	64.81	67.00	71.64	74.43	71.58	66.66	65.76
SLAUGHTER HEIFERS:												
Omaha:												
Choice, 900-1100 lb	62.74	58.44	58.20	57.83	59.17	61.98	64.24	67.50	71.21	69.80	64.61	63.21
Good, 700-900 lb	58.88	56.58	55.16	54.66	54.78	56.82	58.20	62.33	65.18	64.85	61.38	60.80
COWS:												
Omaha:												
Commercial	42.46	40.65	37.75	37.05	37.26	38.61	40.43	41.48	43.11	42.80	42.72	42.81
Utility	42.47	40.61	37.70	36.65	36.64	38.11	39.41	41.26	43.40	42.73	42.52	42.62
Cutter	40.47	38.29	35.28	34.03	34.41	36.11	36.97	39.85	40.72	40.78	40.66	40.50
Canner	38.58	35.76	32.32	30.82	31.24	32.60	32.52	35.40	36.65	37.75	37.98	38.06
VEALERS:												
Choice, So. St. Paul	77.30	71.75	68.88	67.50	69.00	67.50	71.50	78.00	82.88	85.00	84.38	81.12
FEEDER STEERS:[1]												
Kansas City:												
Medium No. 1, 400-500 lb	71.52	66.56	67.05	63.16	63.18	64.52	68.32	70.09	73.58	69.36	68.02	70.15
Medium No. 1, 600-700 lb	66.16	64.07	64.02	60.06	60.08	63.28	65.78	66.08	67.78	65.57	65.26	67.85
Medium No. 2, 600-700 lb												
All weights and grades	64.58	62.52	61.77	58.96	59.22	62.37	63.96	64.72	66.07	63.70	64.17	66.42
Amarillo:												
Medium No. 1, 600-700 lb	65.11	62.50	64.17	60.50	60.78	63.78	64.74	64.07	64.50	63.38	65.29	67.11
Georgia auctions:												
Medium No. 1, 600-700 lb	57.00	56.38	56.38	55.00	55.12	57.38	61.90	59.25	60.12	59.30	59.31	60.38
Medium No. 2, 400-500 lb	56.00	54.88	57.50	55.33	55.75	58.00	59.80	59.38	59.38	58.80	57.62	59.00
FEEDER HEIFERS:												
Kansas City:												
Medium No. 1, 400-500 lb	59.75	55.06	55.58	52.62	53.62	54.51	56.18	58.42	60.38	58.24	57.77	60.85
Medium No. 1, 600-700 lb	59.68	56.05	56.28	52.64	54.32	55.92	57.85	58.76	60.15	58.51	57.82	62.38
SLAUGHTER HOGS:												
Barrows and gilts:												
Omaha:												
No. 1 & 2, 200-230 lb	49.62	45.80	42.87	41.24	46.86	50.34	49.86	52.50	58.50	59.63	60.46	63.47
All weights	49.68	45.61	41.75	39.75	45.38	49.20	49.09	51.61	57.84	58.46	59.17	62.26
Sioux City	49.89	46.15	42.10	40.17	45.77	49.70	49.50	52.16	58.35	59.01	59.70	63.18
7 marktets[2]	49.68	45.62	42.20	40.06	45.63	49.49	49.38	52.08	58.14	59.16	59.83	63.13
Sows:												
7 markets[2]	46.47	43.24	38.63	33.77	39.70	44.84	46.28	50.71	52.91	52.05	52.57	55.04

Continued-

Selected price statistics for meat animals and meat—Continued

Item	1981				1982							
	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.
	Dollars per cwt											
FEEDER PIGS:												
No. 1 & 2, So. Mo., 40-50 lb (per hd.)	40.23	34.20	31.88	29.11	31.70	39.96	52.04	55.94	57.84	53.12	53.26	60.33
SLAUGHTER LAMBS:												
Lambs, Choice, San Angelo	52.30	54.25	48.50	—	51.50	53.50	60.70	66.54	67.12	63.33	57.50	54.75
Lambs, Choice, So. St. Paul	49.40	50.52	45.37	45.36	48.05	52.68	60.52	60.85	65.30	60.00	56.23	52.42
Ewes, Good, San Angelo	21.00	24.50	24.94	25.25	28.50	26.50	31.80	26.12	21.44	24.38	26.88	21.00
Ewes, Good, So. St. Paul	14.26	11.90	11.65	13.06	14.70	15.00	15.00	15.10	12.60	12.38	15.76	15.42
FEEDER LAMBS:												
Choice, San Angelo	51.40	51.62	49.33	50.94	50.44	53.25	57.65	64.88	63.50	55.38	51.31	48.50
Choice, So. St. Paul	47.30	48.20	43.92	44.50	44.88	48.08	55.34	57.50	57.50	54.67	52.50	49.32
FARM PRICES:												
Beef cattle	58.80	55.70	54.50	52.00	53.60	56.10	58.60	60.10	62.60	61.10	58.70	58.10
Calves	61.40	59.00	59.40	57.70	57.10	58.90	61.90	62.30	64.20	61.90	60.60	61.90
Hogs	48.60	45.00	41.50	39.00	43.40	48.40	48.60	51.20	56.80	57.60	57.90	61.30
Sheep	20.30	19.70	19.10	19.20	25.10	21.30	27.20	22.20	21.00	22.00	21.00	18.60
Lambs	50.40	50.60	47.40	47.50	50.40	53.30	60.30	61.50	63.50	57.80	55.90	52.90
MEAT PRICES:												
Wholesale:												
Central U.S. markets												
Steer beef, Choice, 600-700 lb	102.96	96.02	94.56	93.70	97.42	101.24	103.82	109.50	115.14	111.21	102.61	100.75
Heifer beef, Choice 500-600 lb	99.48	93.98	92.14	91.61	94.39	98.58	101.40	105.62	111.70	107.85	100.46	97.70
Cow beef, Canner and Cutter	84.82	78.98	76.04	73.99	74.80	78.44	83.46	80.98	82.18	81.11	80.94	80.39
Pork loins, 8-14 lb	104.56	98.77	90.92	86.56	105.74	102.17	95.45	105.81	115.68	122.12	121.29	122.11
Pork bellies, 12-14 lb	60.07	55.43	56.68	51.35	62.22	67.84	66.67	74.38	80.82	76.72	84.50	93.50
Hams, skinned, 14-17 lb	84.67	84.20	86.14	86.31	74.03	78.40	90.69	81.62	86.78	86.00	87.62	96.19
East Coast:												
Lamb, Choice and Prime, 35-45 lb	116.12	118.00	113.77	111.80	114.43	120.19	132.33	137.50	147.21	133.17	127.67	120.08
Lamb, Choice and Prime, 55-56 lb	115.90	116.08	109.00	106.42	109.41	116.75	129.60	134.50	144.12	132.97	127.62	120.09
West Coast:												
Steer beef, Choice, 600-700 lb	110.81	105.50	103.64	103.13	103.00	103.82	113.10	113.01	116.83	113.60	107.28	106.20
Retail:												
Beef, Choice	243.8	241.5	239.0	238.0	236.9	238.0	237.0	240.4	246.5	254.6	251.8	246.9
Pork	159.5	160.4	158.2	157.4	158.2	160.7	161.4	163.0	169.6	175.4	181.1	183.5
Price Indexes (BLS, 1967=100):												
Retail meats	263.4	262.5	259.6	258.7	257.8	260.2	261.2	263.6	269.7	277.2	278.8	276.5
Beef and veal	277.1	274.9	271.5	270.5	269.4	271.5	271.7	274.8	281.1	288.2	286.7	280.5
Pork	238.1	238.6	235.6	234.3	234.7	238.9	239.5	241.6	249.9	259.5	265.4	268.2
Other meats	260.7	261.6	260.5	260.6	258.1	258.1	262.4	262.8	264.0	268.5	272.0	272.8
Poultry	199.7	196.6	192.3	191.7	194.2	195.7	194.7	193.3	196.0	197.5	199.6	196.2
LIVESTOCK-FEED RATIOS, OMAHA[3]												
Beef steer-corn	26.0	25.2	25.0	25.0	24.6	25.9	26.5	26.5	27.2	26.5	26.1	29.2
Hog-corn	19.8	18.7	17.5	16.8	18.4	20.1	19.8	19.8	21.8	22.1	23.3	27.9

[1]Reflects new feeder cattle grades. [2]St. Louis, N.S.Y., Kansas City, Omaha, Sioux City, So. St. Joseph, So. St. Paul, and Indianapolis. [3]Bushels of No. 2 yellow corn equivalent in value to 100 pounds live weight.

Selected foreign trade, by months

Item	1981	1982							
	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.
					Millions				
FOREIGN TRADE:									
Imports (carcass weight):									
Beef and veal	104	125	98	147	175	156	213	152	245
Pork	42	37	35	54	42	54	63	51	55
Lamb and mutton	([1])	([1])	1	2	2	4	1	1	3
Exports (carcass weight):									
Beef and veal	18.2	15.0	19.1	22.2	20.6	25.2	20.8	14.8	19.4
Pork	27.6	27.6	15.6	14.5	21.0	35.7	24.0	13.5	12.1
Lamb and mutton	2.1	.1	.1	.1	.1	.1	.3	.2	.2
					Number				
Live animal imports:									
Cattle	47,603	37,534	40,996	79,847	124,910	135,418	76,755	47,853	47,796
Hog	9,076	12,599	26,517	36,372	18,413	14,088	17,459	21,166	19,183
Sheep and lambs	436	14	14	4	14	100	66	6	2,057
Live animal exports:									
Cattle	7,148	6,982	7,125	3,085	3,268	5,634	8,004	4,801	3,350
Hogs	3,206	2,539	2,277	2,402	2,860	4,266	2,605	3,329	2,576
Sheep and lambs	33,738	24,204	23,600	18,215	32,418	21,266	37,692	40,042	25,679

[1]Less than 50,000 lbs.

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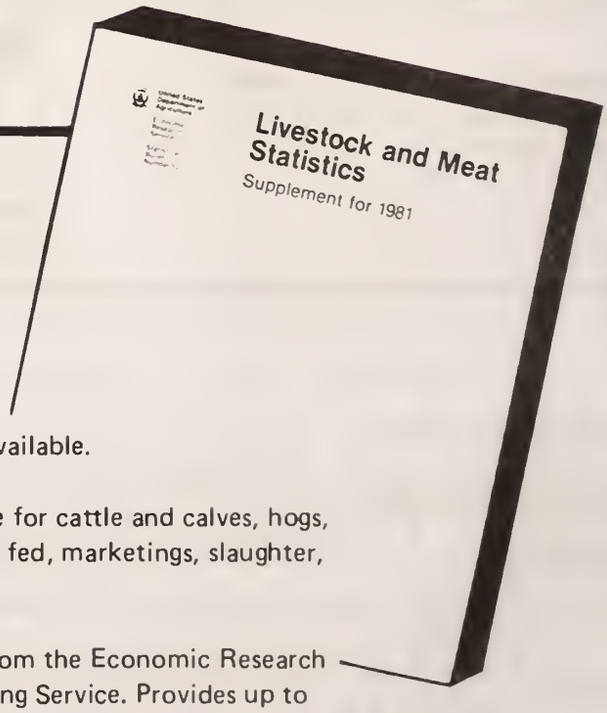

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